

**ARBITRATION CERTIFICATION PROGRAM**

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**2001 ANNUAL CONSUMER SATISFACTION SURVEY****OVERVIEW**

Pursuant to Business and Professions Code §472.4 and Section Title 16, California Code of Regulations §3399.5(a)(5), the Arbitration Certification Program (ACP) conducts an annual survey. The purpose of the survey is to measure consumer satisfaction with the arbitration process. The survey is not intended, nor does it include, the satisfaction of the many of consumers who have had problems satisfied through early contact with dealers, manufacturers' customer service representatives, or other mediation efforts.

ACP also uses the survey as a monitoring mechanism to ensure that certified arbitration programs substantially comply with state and federal requirements. ACP discusses the survey findings with each certified arbitration program, requesting corrections to the process when necessary.

ACP surveys consumers who utilized state-certified arbitration programs to resolve warranty disputes after consumers receive notification of decisions. ACP mailed 3,687 questionnaires achieving a 22% response rate.

Consumer responses to the survey were sorted according to state-certified arbitration program as follows:

BBB AUTO LINE (BBB)

AM General (Hummer), General Motors, Honda/Acura, Hyundai, Isuzu, Nissan/Infiniti, Porsche, Range Rover/Land Rover, Rolls Royce/Bentley, Saab, Saturn and Volkswagen/Audi

Customer Arbitration Board (CAB)

DaimlerChrysler Corporation (Chrysler, Dodge, Eagle, Jeep, Plymouth)

Dispute Settlement Board (DSB)

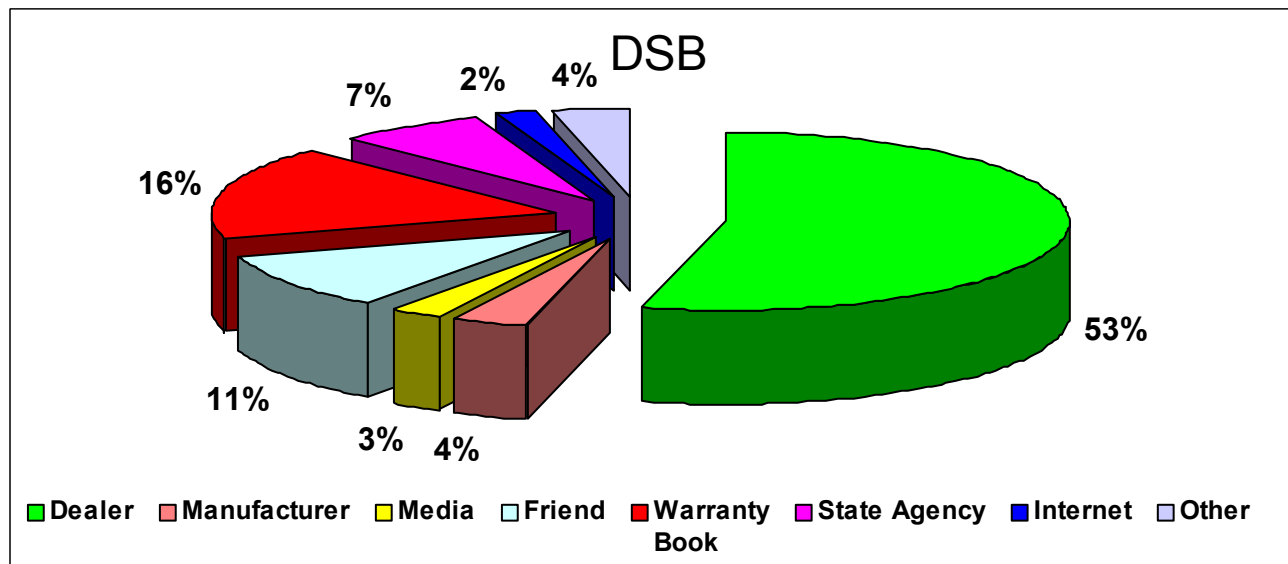
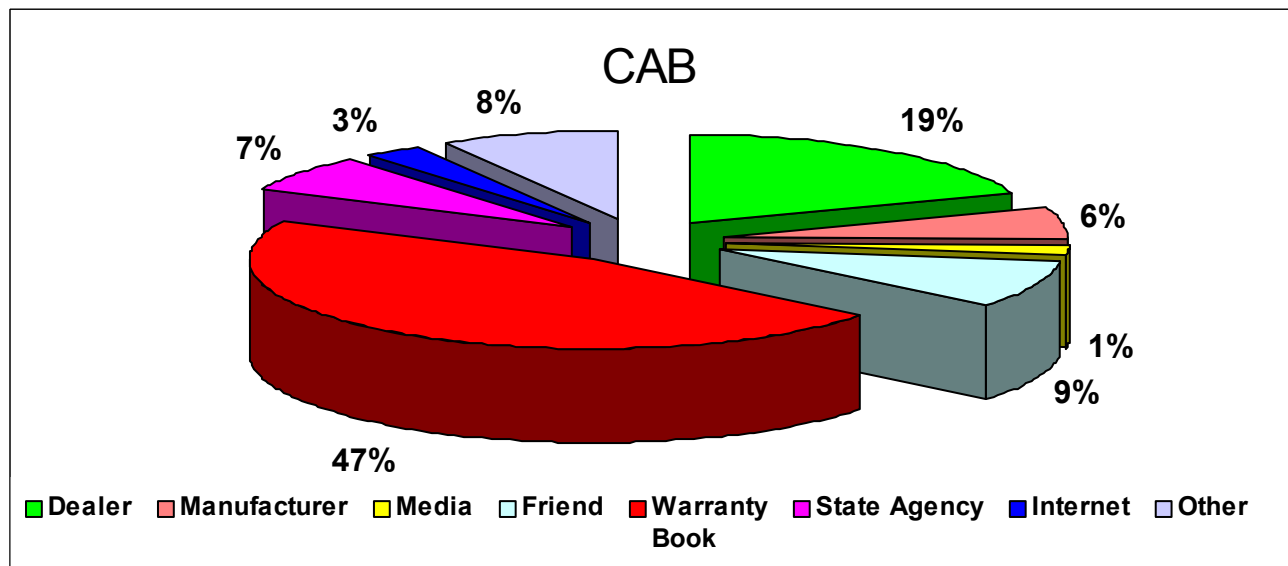
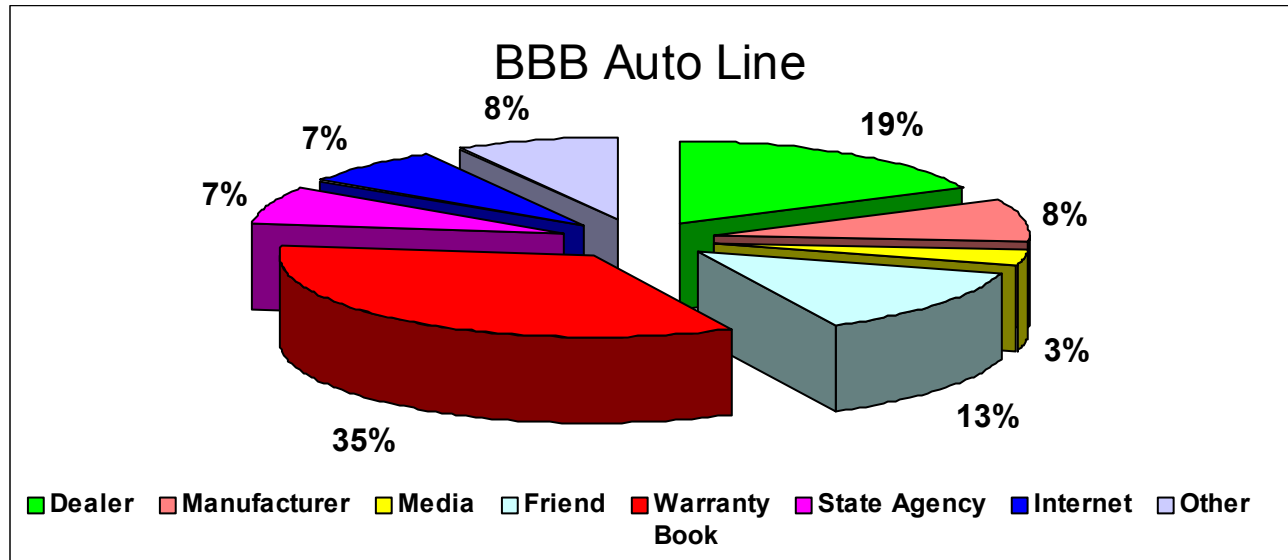
Ford Motor Company (Ford, Lincoln, Mercury)

RESULTS

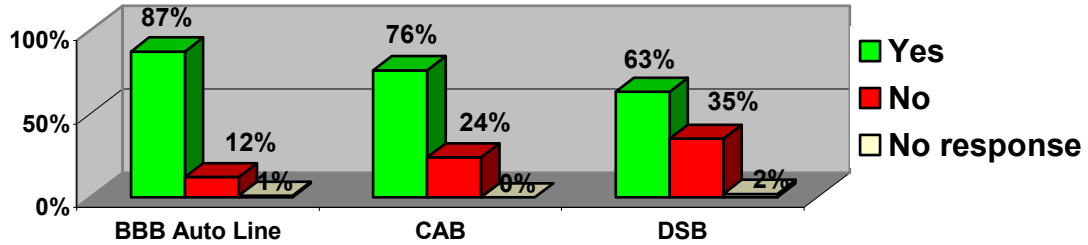
The results of ACP's 2001 Consumer Satisfaction Survey are listed on the following pages. Each survey question is listed along with consumer responses. The percentage of yes and no responses to each question is included to facilitate comparisons of the results.

QUESTIONNAIRES COMPLETED AFTER CONSUMERS
RECEIVED NOTIFICATION OF THEIR DECISIONS

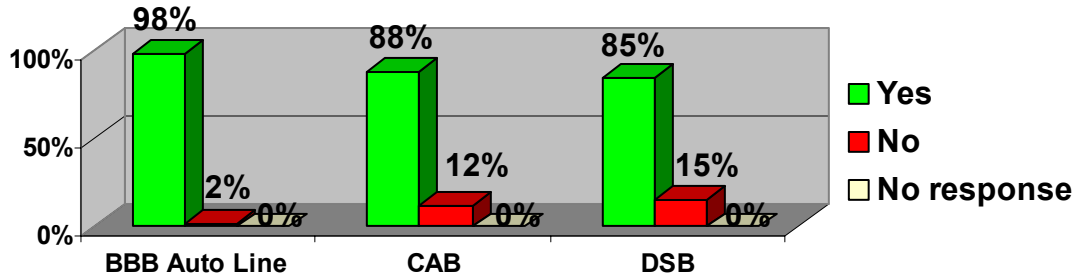
Question 1: How did you learn about the state-certified program?



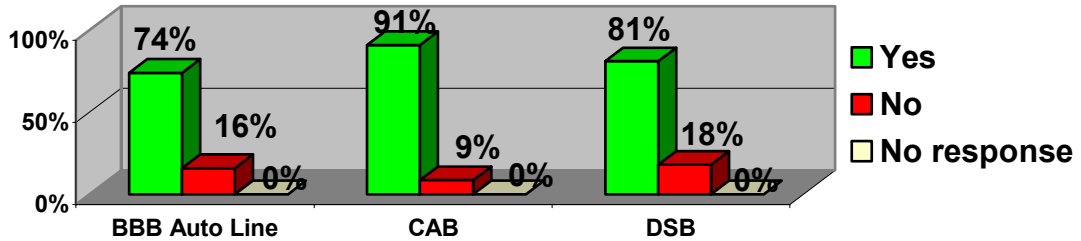
Question 2: Did the state-certified arbitration program provide you with enough information about the process to prepare your case?



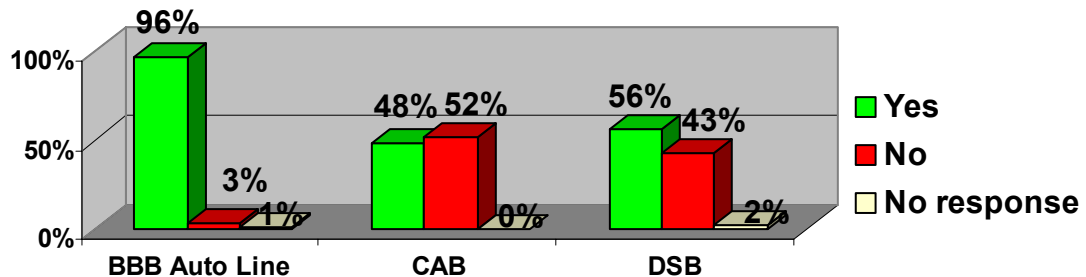
Question 3a: Were you given at least 5 days advance notice of the date of the hearing?



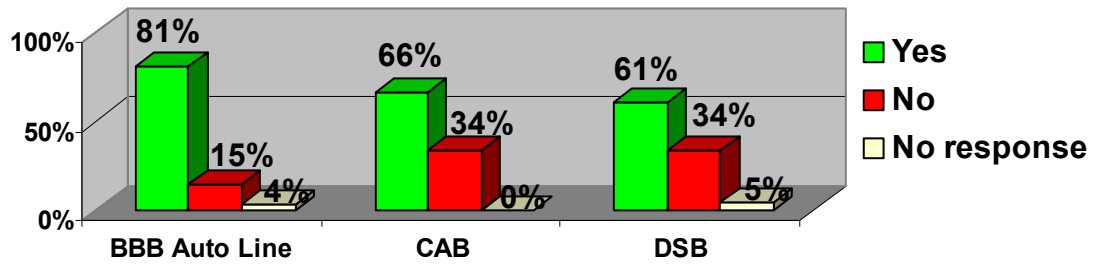
Question 3b: If yes, did you receive a complete hearing packet which included all evidence provided by you and the manufacturer? *(Please Note: Some of the respondents failed to answer this question and/or answered it although it did not apply to them).*



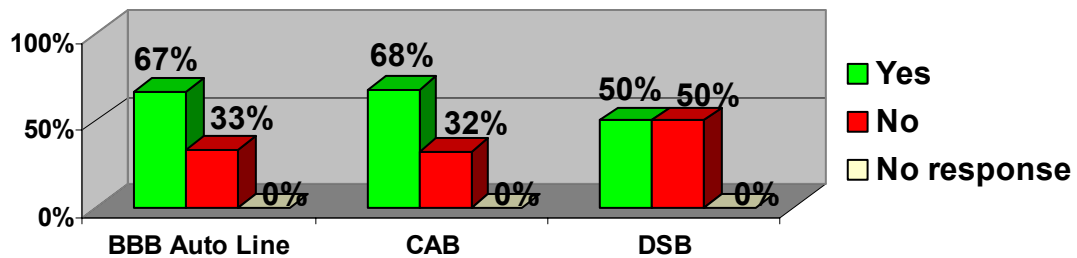
Question 4a: Did you make an oral presentation to the arbitrator(s) at the hearing?



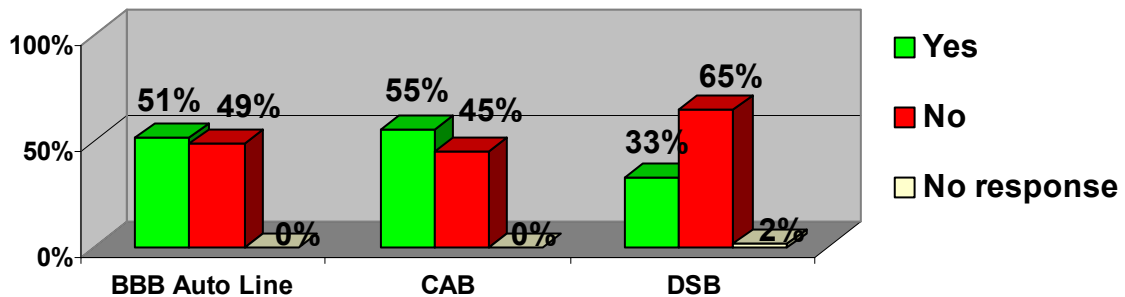
Question 4b: If yes, did the arbitrator(s) give you the impression that they listened to you during the hearing? *(Please Note: Some of the respondents failed to answer this question and/or answered it although it did not apply to them).*



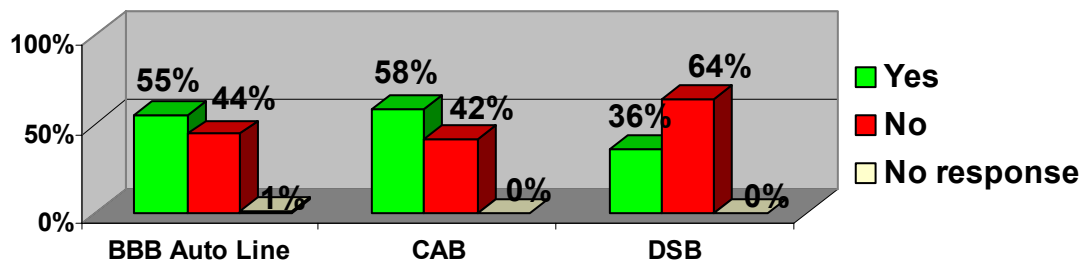
Question 5: Did you understand the reasons given to you by the arbitrator(s) for the decision?



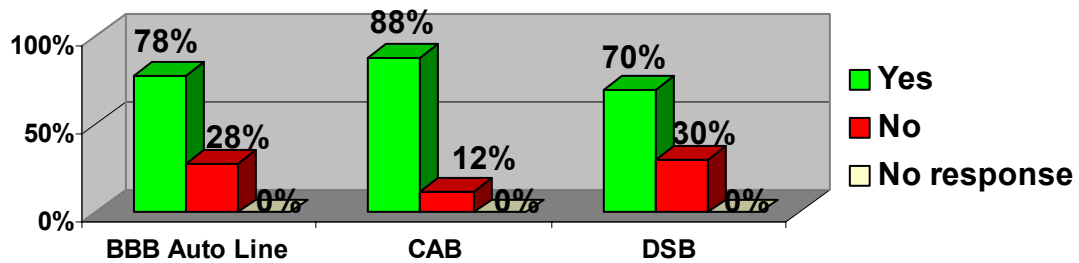
Question 6: Were you satisfied with the decision?



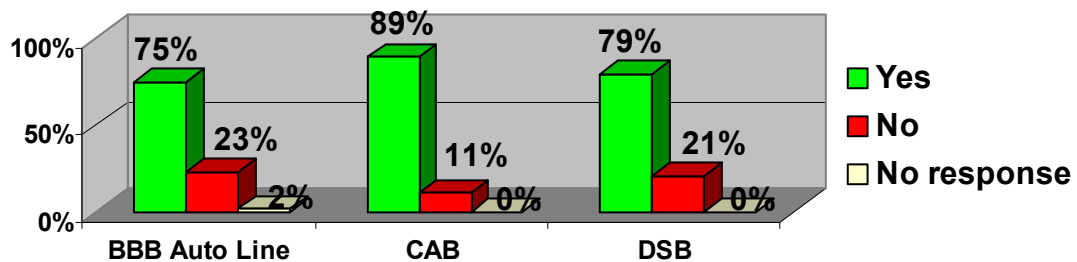
Question 7a: Was the decision in your favor?



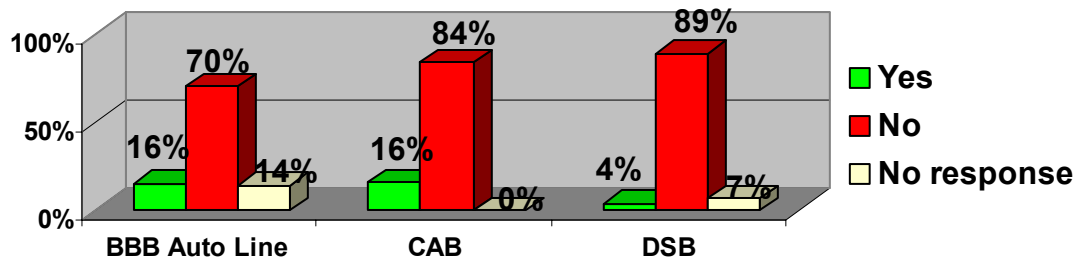
Question 7b: If yes, did the manufacturer perform the decision within 30 days after receipt of your acceptance of the decision? *(Please Note: Some of the respondents failed to answer this question and/or answered it although it did not apply to them).*



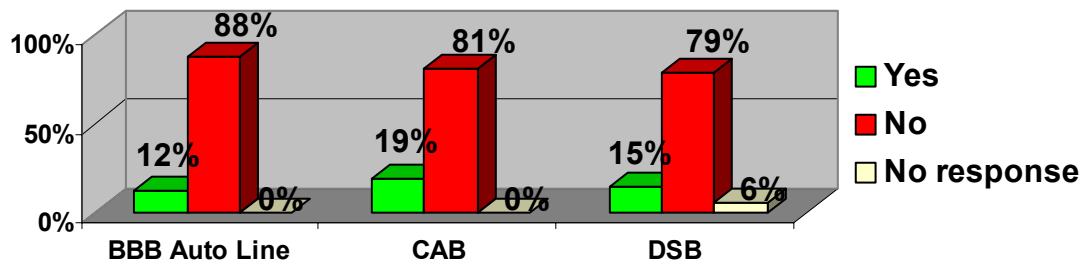
Question 7c: If yes, did the state-certified program follow up with you within ten days after the performance date to confirm that the manufacturer complied with the decision?



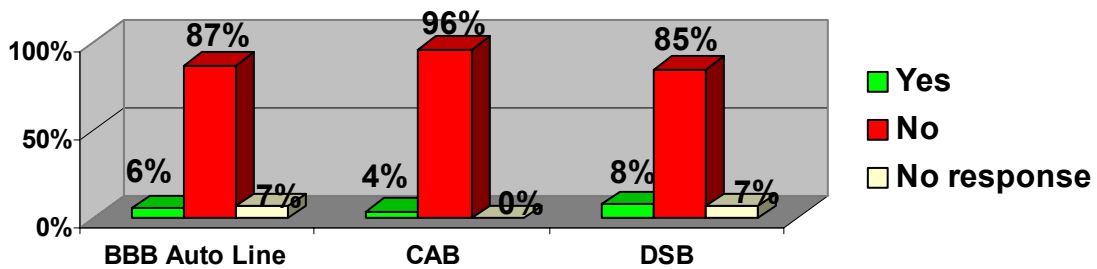
Question 8: Were you asked to sign a document not to disclose or discuss any of the terms of the arbitrated case?



Question 9: Were you denied any repairs through the vehicle warranty after you filed for arbitration?



Question 10: Did you file a lawsuit after completing arbitration?



11. Please tell us how you think the arbitration process and/or the arbitration program (BBB, CAB or DSB) could be improved:

BBB Auto Line: Of the 2,524 surveys sent to consumers who arbitrated through the BBB AUTO LINE in 2001, a total of 514 (20.36%) consumers responded. Most of them first learned of the BBB AUTO LINE program from their new car warranty booklets. 282 respondents reported receiving a decision in their favor, and 228 reported receiving a decision that was not in their favor. 262 reported satisfaction with the decision, and 249 reported dissatisfaction. Most respondents reported that they did not file lawsuits after arbitration. Roughly 25% of respondents provided additional written comments in response to the question about how the process and/or the BBB Auto Line could be improved.

Consumers receiving a favorable decision offered the following comments:

- BBB staff was friendly and informative
- Need more bilingual arbitrators
- Would be nice to be able to contact BBB AUTO LINE via web site
- Make sure the automakers comply
- Arbitrators were well trained
- The arbitration process was fair and expeditious

Consumers receiving unfavorable decisions offered these suggestions:

- The arbitrator should have some knowledge of automotive repair
- Arbitrators should not appear biased in favor of the manufacturer
- Decisions should include more specifics
- BBB should encourage the manufacturer to perform the decision

CAB: Of the 347 surveys sent to consumers who utilized the CAB in 2001, a total of 147 (42%) responded. About 76% of the respondents provided additional written comments in response to the question about how the arbitration process could be improved.

Consumers receiving a favorable decision stated the following:

- The Customer Arbitration Board did their job.
- The CAB staff were helpful.
- CAB process work great.

Conversely, consumers receiving unfavorable decisions stated that:

- CAB should offer more hearing locations throughout the state.
- Arbitrators should provide a clearer reason for their decisions; consider the entire case, and listen/read more carefully to what the consumer says.
- The process was a waste of time.
- The arbitrators were biased towards the manufacturer.
- The process took too long.

Compared to last year, the annual consumer survey expresses that 55% (a 5% decrease) of the consumers who utilized the arbitration program were satisfied with the arbitration process, 4% (a 2% decrease) filed a lawsuit after arbitration, and that 16% (a 5% increase) were asked to sign a document not to disclose or discuss any of the terms of the arbitrated case. Additionally, 19% were denied repairs to the vehicle after applying for arbitration and 32% did not understand the reasons given to them by the arbitrators for the decision.

DSB: Of 816 surveys sent to consumers who utilized the Dispute Settlement Board in 2001, a total of 160 (19.6%), consumers responded.

Many of the respondents provided written comments with their opinion of the arbitration process. How the consumer responded to this question directly related to the decision they received:

When the consumer received a favorable decision, the comments were consistently positive and the majority stated:

- The process was fair;
- The arbitrators were accommodating, well prepared, and professional;
- The process worked great.

Conversely, when the consumer received an unfavorable decision, the comments were generally negative and the majority stated:

- The process was biased towards the manufacturer;
- The arbitrators did not seriously consider their problems, already had their minds made up and favored the manufacturer;
- The process was a waste of time
- The hearing locations were not conveniently located

Overall, consumers indicated that the entire process took much too long and they did not have enough time for their oral presentation. Consumers also expressed dissatisfaction with customer service practices at the dealership and with the dispute resolution specialist that handled their case.